

FRANK R. WOLF,
TOM DELAY,
RALPH REGULA,
HAROLD ROGERS,
JIM LIGHTFOOT,
RON PACKARD,
SONNY CALLAHAN,
JAY DICKY,
MARTIN OLAV SABO,
RICHARD J. DURBIN (except
amendments 150 and 151
and amendment 158),
RONALD COLEMAN,
THOMAS A. FOGLIETTA,
DAVID R. OBEY,

Managers on the Part of the House.

MARK O. HATFIELD,
PETE V. DOMENICI (except
amendment 150),
ARLEN SPECTER,
CHRISTOPHER S. BOND,
SLADE GORTON,
RICHARD C. SHELBY,
FRANK R. LAUTENBERG,
ROBERT C. BYRD (except
amendment 150),
TOM HARKIN,
BARBARA MIKULSKI,

Managers on the Part of the Senate.

COMMUNICATION FROM THE
CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, September 16, 1996.

The Honorable NEWT GINGRICH,
The Speaker,

U.S. House of Representatives.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Friday, September 13 at 11:20 a.m. and said to contain a message from the President wherein he transmits a 6-month periodic report on the national emergency with respect to Iran.

With warm regards,

ROBIN H. CARLE,
Clerk, U.S. House of Representatives.

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAN—
MESSAGE FROM THE PRESIDENT
OF THE UNITED STATES (H. DOC.
NO. 104-261)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on developments concerning the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995, and matters relating to the measures in that order and in Executive Order 12959 of May 6, 1995. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (IEEPA), and section 505(c) of the International Security and Development Cooperation Act of 1985,

22 U.S.C. 2349aa-9(c). This report discusses only matters concerning the national emergency with respect to Iran that was declared in Executive Order 12957 and does not deal with those relating to the emergency declared on November 14, 1979, in connection with the hostage crisis.

1. On March 15, 1995, I issued Executive Order 12957 (60 Fed. Reg. 14615, March 17, 1995) to declare a national emergency with respect to Iran pursuant to IEEPA, and to prohibit the financing, management, or supervision by United States persons of the development of Iranian petroleum resources. This action was in response to actions and policies of the Government of Iran, including support for international terrorism, efforts to undermine the Middle East peace process, and the acquisition of weapons of mass destruction and the means to deliver them. A copy of the order was provided to the Speaker of the House of Representatives and the President of the Senate by letter dated March 15, 1995. Following the imposition of these restrictions with regard to the development of Iranian petroleum resources, Iran continued to engage in activities that represent a threat to the peace and security of all nations, including Iran's continuing support for international terrorism, its support for acts that undermine the Middle East peace process, and its intensified efforts to acquire weapons of mass destruction. On May 6, 1995, I issued Executive Order 12959 to further respond to the Iranian threat to the national security, foreign policy, and economy of the United States.

Executive Order 12959 (60 Fed. Reg. 24757, May 9, 1995) (1) prohibits exportation from the United States to Iran or to the Government of Iran of goods, technology, or services; (2) prohibits the reexportation of certain U.S. goods and technology to Iran from third countries; (3) prohibits transactions such as brokering and other dealing by United States persons in goods and services of Iranian origin or owned or controlled by the Government of Iran; (4) prohibits new investments by United States persons in Iran or in property owned or controlled by the Government of Iran; (5) prohibits U.S. companies and other United States persons from approving, facilitating, or financing performance by a foreign subsidiary or other entity owned or controlled by a United States person of certain re-export, investment, and certain trade transactions that a United States person is prohibited from performing; (6) continue the 1987 prohibition on the importation into the United States of goods and services of Iranian origin; (7) prohibits any transaction by any United States person or within the United States that evades or avoids or attempts to violate any prohibition of the order; and (8) allowed U.S. companies a 30-day period in which to perform trade transactions pursuant to contracts predating the Executive order.

At the time of signing Executive Order 12959, I directed the Secretary of

the Treasury to authorize through specific licensing certain transactions, including transactions by United States persons related to the Iran-United Claims Tribunal in The Hague, established pursuant to the Algiers Accords, and related to other international obligations and United States Government functions, and transactions related to the export of agricultural commodities pursuant to preexisting contracts consistent with section 5712(c) of title 7, United States Code. I also directed the Secretary of the Treasury in consultation with the Secretary of State, to consider authorizing United States persons through specific licensing to participate in market-based swaps of crude oil from the Caspian Sea area for Iranian crude oil in support of energy projects in Azerbaijan, Kazakhstan, Turkmenistan.

Executive Order 12959 revoked sections 1 and 2 of Executive Order 12613 of October 29, 1987, and sections 1 and 2 of Executive Order 12957 of March 15, 1995, to the extent they are inconsistent with it. A copy of Executive Order 12959 was transmitted to the Speaker of the House of Representatives and the President of the Senate by letters dated May 6, 1995.

2. On March 8, 1996, I renewed for another year the national emergency with respect to Iran pursuant to IEEPA. This renewal extended the current comprehensive trade embargo against Iran in effect since May 1995. Under these sanctions, virtually all trade with Iran is prohibited except for information and informational materials and certain other limited exceptions.

3. There were no amendments to the Iranian Transactions Regulations, 31 CFR Part 560 (the "ITR") during the reporting period.

4. During the current 6-month period, the Department of the Treasury's Office of Foreign Assets Control (OFAC) made numerous decisions with respect to applications for licenses to engage in transactions under the ITR, and issued 24 licenses. The majority of denials were in response to requests to authorize commercial exports to Iran and the importation of Iranian-origin goods. The majority of the licenses issued authorized the completion of commodity "string transactions" entered into by U.S. parties with respect to foreign commodities and having no knowledge or control over the Iranian interest in the contracts; the export and reexport of goods, services, and technology essential to ensure the safety of civil aviation and safe operation of certain commercial passenger aircraft in Iran; licenses relating to Iranian participation in the 1996 Atlanta Olympic and Paralympic Games; the importation of Iranian-origin artwork for public exhibition; and certain humanitarian imports and exports. In light of statutory restrictions applicable to goods and technology involved in